

Public Chapter 155

HOUSE BILL NO. 1176

By Representatives Kerr, Gunnels

Substituted for: Senate Bill No. 952

By Senator Miller

AN ACT to amend Tennessee Code Annotated, Section 57-2-101 and Section 57-3-101, to exempt bulk sales of ethanol produced in a facility whose primary process is wet milling and is sold and transported in bulk as an industrial product and not packaged for consumer sale.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 57-2-101(b), is amended by substituting a comma “,” for the period “.” at the end thereof and adding new language and punctuation as follows:

and the provisions of this title shall not apply to ethanol that is produced in a facility whose production process is primarily a wet milling process, sold and transported in bulk lots of five thousand (5,000) gallons or more and not packaged for retail sale by the holder of a valid alcohol fuels permit or a valid distilled spirits permit: (1) for export to another country; (2) to a domestic manufacturer, distiller, vintner, or rectifier who is a duly licensed alcohol beverage or liquor manufacturer in this or some other state; or (3) to a manufacturer who uses the ethanol to create a product which is incapable of human consumption or contains less than one-half of one percent (0.5%) alcohol by volume.

SECTION 2. Tennessee Code Annotated, Section 57-3-101(a)(1), is amended by substituting a period “.” for the semicolon “;” at the end thereof and adding new language and punctuation as follows:

notwithstanding the provisions of this definition, ethanol produced in a facility whose production process is primarily a wet milling process in bulk and sold and transported in bulk lots of five thousand (5,000) gallons or more and not packaged for retail sale by the holder of a valid alcohol fuels permit or a valid distilled spirits permit: (1) for export to another country; (2) to a domestic manufacturer, distiller, vintner, or rectifier who is a duly licensed alcohol beverage or liquor manufacturer in this or some other state; or (3) to a manufacturer who uses the ethanol to create a product which is incapable of human consumption or contains less than one-half of one percent (0.5%) alcohol by volume shall not be considered to be an alcoholic beverage and shall not be subject to regulation or taxation pursuant to Chapters 1-6 and 9 of this title.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.

